

**DIGITAL BILLBOARD SITE LEASE AGREEMENT
SIGNAL HILL, CALIFORNIA**

THIS DIGITAL BILLBOARD SITE LEASE AGREEMENT (“**Agreement**”), dated as of _____, 2026 (“**Effective Date**”) is made and entered into by and between CLEAR CHANNEL OUTDOOR, LLC, a Delaware limited liability company (“**Lessee**”), and CITY OF SIGNAL HILL, a California municipal corporation (“**Lessor**” or “**City**”). Lessor and Lessee are sometimes hereinafter referred to collectively as “party” or “parties.”

RECITALS

This Agreement is entered into based upon the following facts, circumstances and understandings:

A. Lessor owns certain real property commonly known as 3100 California Avenue, Signal Hill, California 90755, APN: 7212-001-933 located entirely within City of Signal Hill in the County of Los Angeles, State of California, and more particularly described in Exhibit “A” attached hereto and incorporated herein by this reference (the “**City Property**” or “**Property**”).

B. Lessor desires to lease a portion of the City Property to Lessee as shown generally on Exhibit “B” attached hereto (the “**Premises**”) for the purpose of constructing, maintaining and operating an outdoor advertising structure and sign (the “**Digital Billboard**”) as defined in Section 2 below.

C. Lessee intends to remove the existing outdoor digital advertising structure (“**Existing Structure**”) owned and operated by the City and located on the City Property, as set forth under this Agreement. The City hereby conveys the Existing Structure to Lessee, without need for any further bill of sale or similar instrument, and officially authorizes the dismantlement to proceed at Lessee’s discretion, contingent on an approved demolition permit from the City.

D. Lessee will manage fourteen (14) transit shelters with advertising space on behalf of the City, as set forth under a separate transit shelter management agreement to be entered into concurrently with this Agreement. City shall be responsible for all maintenance and repair of these shelters, including, but not limited to cleaning, lighting, graffiti abatement, refurbishment, capital expenditures, and improvements. Lessee shall be responsible for sale of advertising space, posting, and removal of advertisements and city messages (on a space-available basis). Advertising revenue from the transit shelters will be split between Lessee and the City on a 50/50 basis.

E. The parties agree and acknowledge that this Agreement does not constitute project approval, a commitment to proceed, or the grant of any vested development rights for the Digital Billboard, and no party is bound to a definite course of action, unless and until compliance with the California Environmental Quality Act (“CEQA”) is achieved. Nothing in this Agreement limits the CEQA lead agency’s discretion to consider feasible mitigation measures and alternatives (including the “no project” alternative) or exemptions or to deny approval of the Digital Billboard.

F. Based on the foregoing facts, circumstances and understandings, and on the terms and conditions set forth below, Lessor is willing to lease the Premises to Lessee for Lessee’s proposed use, subject to the terms and conditions of this Agreement.

WHEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the facts, circumstances and understandings set forth above (which are incorporated into the body of this Lease by this reference) and the terms and conditions set forth herein, the parties, intending to be legally bound, hereto agree as follows:

OPERATIVE PROVISIONS

1. Grant and Acceptance of Lease. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the Premises for Lessee's permitted uses, subject to the following terms and conditions for the Term. Lessor grants to Lessee, its agents, contractors, subcontractors, and employees the nonexclusive right of access to and through the City Property to the Premises for Lessee to exercise all of its rights and fulfill all of its obligations under this Agreement. This Agreement is subject to: (i) all easements, conditions, restrictions, reservations, rights of way, liens, encumbrances, and other matters of record, (ii) all matters discoverable by physical inspection of the Premises or that would be discovered by an accurate survey of the Premises, and (iii) all matters known to Lessee or of which Lessee has notice, constructive, or otherwise.

2. Permitted Uses. The Premises may be used by Lessee for the construction, improvement, operation and maintenance of one (1) outdoor advertising structure with two digital displays (whether physically on-premise or via remotely changeable off-premise technology) ("**Digital Billboard**") substantially designed as shown on the attached Exhibit "C." The sign area and Premises are located along a portion of property located on the south side of I-405 just west of California Avenue in the area commonly known as the Signal Hill Dog Park in the City of Signal Hill in the County of Los Angeles, State of California and are more particularly graphically shown on the attached Exhibit "B." The terms and specifications regarding the design, location, size, materials, and installation of the Digital Billboard, as well as the ongoing operational requirements, are set forth in the attached Exhibit "D," which is incorporated herein by reference. Lessee agrees to comply with all requirements and guidelines contained in Exhibit "D" throughout the term of this Agreement.

Lessee may, at its sole cost and expense, use the Premises solely for the purposes of installing, placing, using, modifying, improving, operating and removing the supporting structure and related equipment (collectively "**Lessee's Facilities**") as required for access to and the operation of the Digital Billboard at the Premises subject to any applicable City permits and approval processes and additional permits and approval processes required by other appropriate state and/or federal agencies (i.e. the California Department of Transportation, ("**Caltrans**"). Further, Lessee may have the nonexclusive right, over the City Property, to access (ingress and egress) the Premises to perform the dismantlement of the Existing Structure in addition to the initial construction, improvement, ongoing maintenance, repairs, and modifications to the Digital Billboard as Lessee determines necessary and appropriate for its ongoing business, and as authorized by this Agreement. Lessee shall also have the right to perform all work necessary to prepare, modify and maintain the Premises to accommodate the Digital Billboard. This Agreement includes reasonably necessary rights for visibility of the Digital Billboard, including the visibility corridor as show in Exhibit "B"; the City itself shall not construct or authorize a third party to construct any structure or buildings on the Property that would in any way obstruct the visibility of the Digital Billboard, Lessee's access to the Premises, or Lessee's ability to operate and/or maintain the Digital Billboard. In addition, the City itself shall not construct or authorize a third party to construct communications antennas or towers, cell phone antennas or towers, Internet antennas or towers or similar structures on the Property or a City-owned property within a radius of three hundred (300) feet from the Digital Billboard.

3. Conditions Precedent: Prior Approvals; Construction. This Agreement is subject to and conditioned upon Lessee applying for and obtaining all governmental licenses, permits and approvals (collectively, the "**Development Approvals**") to enable Lessee to remove the Existing Billboard and to construct, use and operate the Digital Billboard on the Premises, including the following entitlements required by the City of Signal Hill Municipal Code and Caltrans:

1. all necessary approvals and permits required by Caltrans;
2. Environmental review required by CEQA, including any mitigation requirements and alternatives;
3. all necessary permits and approvals required by the City, including building and electrical permits, as determined by the City, in its sole and absolute discretion;

4. a construction work schedule in a form agreed to by the Parties; and

(a) Lessee shall be solely responsible for its own costs and expenses in connection with any activities and negotiations undertaken in connection with the Development Approvals. Lessor agrees to cooperate with Lessee's reasonable requests for Lessor's authorization on permit applications and to allow site inspections by any governmental agencies as required in connection with reviewing permit applications, provided that such cooperation and assistance shall be at no direct expense to Lessor. Nothing herein shall restrict or restrain the City's exercise of its discretion in the issuance of any permits or approvals or waive, reduce or modify the City's legislative, administrative, land use and police powers to require permits and approvals in accordance with the City's municipal code and zoning ordinance or to require inspections of construction in connection with such efforts.

(b) Additionally, the construction of the Digital Billboard shall be substantially completed within 180 days (the "**Construction Period**") following receipt by Lessee of all Development Approvals (the "**Construction Outside Date**"); provided however, that the Construction Period shall be tolled in the event that Lessee is prohibited from completing construction due to some action or inaction that is outside of Lessee's control, such as any delays due to action or inaction by Southern California Edison ("SCE") when Lessee is attempting to connect the Digital Billboard to electrical service. Lessee shall inform the City in writing of the occurrence of any such action or inaction that would toll the Construction Period. Failure to substantially complete construction of the Digital Billboard by the Construction Outside Date, shall constitute a material breach of this Agreement. The parties may also agree to mutually extend the Construction Period.

(c) Lessee agrees that in the event the Agreement terminates pursuant to this Section, Lessee shall not seek reimbursement from Lessor for Lessee's expenses incurred in pursuing the necessary Development Approvals, or for Lessee's lost profits, or for damages of any kind.

(d) Construction of the Digital Billboard shall substantially conform to the design and conceptual drawing in Exhibit "B" attached hereto and incorporated herein, or as mutually-agreed by the parties. Lessee shall be solely responsible for all costs and expenses related to constructing and installing the Digital Billboard and Lessee's Facilities, including dismantling the Existing Billboard, site preparation of the Premises and all preconstruction activities. Notwithstanding the foregoing, Lessee shall, in its discretion, decide certain parts of the Existing Billboard may be utilized in construction of the Digital Billboard.

4. **Term.** The term of this Agreement ("**Term**") shall commence on the Effective Date and shall continue for a period of twenty (20) years from the Commencement Date (as defined below). "**Commencement Date**" means the first day of the calendar month following the day that all of the following are true: (i) Lessee has obtained all Development Approvals listed in Section 3, and all appeal periods with respect to such approvals have expired (with no appeal having been filed); (ii) Lessee has obtained all permits and approvals for the removal of the Existing Structure and removed the Existing Structure; (iii) Lessee and Lessor have executed a transit shelter management agreement providing for a 50/50 split of advertising revenue for 14 transit shelters in the City; (iv) the Digital Billboard is fully-constructed and operational, has electrical power from a permanent source, has passed the City's final inspection(s), and is fully capable of displaying digital advertising; and (v) the City's inspector has initialed the building permit job card for the Digital Billboard. Lessee shall inform Lessor in writing as of the occurrence of the Commencement Date so that both parties have a clear record.

If the conditions to the Commencement Date have not occurred within one (1) year following the Effective Date, either Party may, thereafter and until the Commencement Date occurs, terminate this Agreement by written notice to the other Party, in which event the Parties shall have no further rights or obligations with regards to this Agreement. The Parties may agree to extend this date by one (1) year if circumstances beyond the control of Lessor or Lessee are found to have delayed the development of the Digital Billboard.

Each 12-month period during the Term beginning on the Commencement Date or any anniversary thereof may be referred to as a "Lease Year."

5. Renewal Options. Provided that Lessee is in good standing and not in default at the time of such option to renew, the Term shall automatically extend for a ten (10) year renewal term unless either party sends written notice of intent not to renew at least one hundred eighty (180) days before the expiration of the initial term. For the avoidance of doubt, compensation for the extension period shall be the corresponding annual figures for years 21 through 30, detailed in Exhibit "D."

6. Rent.

(a) Intentionally Omitted.

(b) Annual Base Rent. Upon the Commencement Date, Lessee shall pay to Lessor annual rent for the Premises ("**Rent**") in an amount equal to the greater of: (i) the "**Minimum Annual Guarantee**" or "**MAG**" as defined in Exhibit "D" or (ii) an amount representing thirty five percent (35%) of the annual "Net Advertising Revenue" (defined as gross advertising revenue less any agency commission) ("**Percentage Rent**") each in accordance with this Section 6(b) and the attached Exhibit "D" as an annual base Rent.

The MAG shall be paid in equal monthly installments on the first day of each month with the first payment due on the Commencement Date and subsequent payments due on the first day of each month thereafter during the Term.

If the Percentage Rent owing to Lessor in any Lease Year exceeds the Minimum Annual Guarantee (MAG) payment during such Lease Year, Lessee shall pay the difference to Lessor within forty-five (45) days following the end of such Lease Year. Concurrently with such payment of the Percentage Rent, Lessee shall submit a written statement ("**Reconciliation Statement**") showing the gross revenues for the Digital Billboard, the advertising agency commission (if any) which shall not exceed sixteen and sixty-seven hundredths (16.67%) of the costs of each advertisement, the Net Revenue and the Percentage Rent. The Reconciliation Statement shall identify the advertiser, gross sales, Net Revenues, unsold space and any trade/barter. Lessee shall comply with reasonable written requests from Lessor for copies of advertiser contracts and agency commission agreements within five (5) business days after receipt of Lessor's request, to be made available at Lessee's local offices.

For purposes of this Agreement, "**Net Revenue**" means the gross revenue received from advertising on the Digital Billboard minus any commissions or fees paid to any outside, bona fide advertising agency that is not an affiliate of Lessee for such advertising, provided such commissions shall not exceed sixteen and sixty-seven hundredths (16.67%) of each advertisement. No other deductions or offsets from gross receipts may be made.

7. City Public Service Messages.

(a) City Public Service Announcements. The City and its departments shall be provided with advertising time at no cost on the Digital Billboard for non-commercial City events and public service messages ("**Public Service Announcements**"). At the request of the City Manager or the City Manager's designee, Lessee shall make the Digital Billboard available to the Lessor, on an applicable space-available basis for Public Service Announcements. Notwithstanding the foregoing promise to display Public Service Announcements on a space available basis, Lessee shall provide at least five two-week periods each calendar year when the City's chosen Public Service Announcements will be displayed in the normal rotation. This commitment shall be in addition to the time when Lessee is displaying Public Service Announcements on a space available basis. Lessor's messages must meet Lessee's graphics-arts standards so that the messages are "camera ready," at no cost to Lessee. Lessor shall be responsible for providing Lessee with its Public Service Announcements, which may be updated by Lessor at any time, and for any costs associated with providing Lessee with associated artwork in acceptable format. Lessor shall notify Lessee at least forty-five (45) days before the proposed display date of a Public Service Announcement. Lessor must submit "camera ready art" utilizing formats and protocols acceptable to Lessee from time to time. All copy shall be submitted to Lessee at least ten (10) business days in advance.

Lessor shall not charge for, or exchange goods or services for, or donate any advertising space on the Digital Billboard provided by Lessee to Lessor pursuant to this Agreement. In addition, it is expressly understood and agreed that Public Service Announcements may not include any names, logos, marks, products, or services associated with any commercial entity or any third party. The foregoing limitation shall not be construed to prohibit the display of names, logos, or marks of the City, its departments, or names, logos, or marks of City events or activities. Lessor shall and hereby does agree to indemnify, defend and hold harmless Lessee for, from and against, any claims, costs (including, but not limited to, court costs and reasonable attorney's fees), losses, actions, or liabilities arising from or in connection with any third party allegation that any portion of any Public Service Announcement provided by Lessor infringes or violates the rights, including, but not limited to, copyright, trademark, trade secret or any similar right, of any third party. This indemnity obligation shall not include Lessee's lost profits or consequential damages.

(b) Notwithstanding the right to advertise Public Service Announcements, in the case of emergencies declared by local, regional, state, and/or federal agencies, Lessee shall cause to be displayed on the Digital Billboard emergency and public safety announcements and alerts, including but not limited to Amber Alerts, wanted criminal postings from public safety enforcement bureaus (i.e., police and fire), and information about natural disasters or weather-related emergencies ("**Emergency Messaging**"). There shall be no charge to the City or any other local, regional, state, and/or federal agencies for the display of such Emergency Messaging.

(c) Lessee shall comply with the advertising parameters contained in the attached Exhibit "E" (Code of Advertising Practices). In addition, Lessee shall comply with the advertising requirements set forth in Section 13 and Section 14.

8. Due Diligence Contingency and Pre-Commencement Date Access to Premises.

(a) Lessee shall have the right (but not the obligation) at any time following the full execution of this Agreement and prior to the Commencement Date, to enter the Premises for the purpose of making necessary inspections, taking measurements and conducting engineering surveys (and soil tests where applicable) and any other reasonably necessary tests to determine the suitability of the Premises for Lessee's Facilities ("**Due Diligence**"), and for the purpose of preparing the Premises for the installation or construction of the Digital Billboard and/or Lessee's Facilities at Lessee's sole cost and expense. Lessor or its representatives shall have the right to go upon and inspect the Premises during the Due Diligence period at all reasonable times and shall have the right to post and keep posted thereon notices of non-responsibility. During any Due Diligence activities or pre-installation or pre-construction work, Lessee shall have insurance that covers such activities as set forth in this Agreement. Lessee shall notify Lessor in writing of any proposed tests, measurements or pre-installation or pre-construction work, and shall coordinate the scheduling of such activities with Lessor. If, during the course of Due Diligence, Lessee determines that the Premises are unsuitable for Lessee's contemplated use, then Lessee shall have the right to terminate this Agreement prior to the Commencement Date without any further liability or obligation to Lessor by delivery of written notice of termination to Lessor as set forth in Section 17. In the event Lessee terminates this Agreement pursuant to the provisions of this Section 8, then, and in that event, Lessee, at Lessee's sole cost, shall immediately return the Premises to the condition thereof existing prior to Lessee engaging in all Due Diligence activities, reasonable wear and tear excepted. Lessee agrees that in the event the Agreement so terminates, Lessee shall not seek reimbursement from Lessor for Lessee's expenses incurred in pursuing Due Diligence activities, or for Lessee's lost profits, or for damages of any kind.

(b) Lessor hereby expressly disclaims all Warranties of Merchantability and Fitness for a Particular Purpose associated with the Premises. Lessee accepts the Premises "As Is."

9. Ongoing Access to Premises. Throughout the Term of this Agreement, Lessee shall have right of non-exclusive access without escort over the Property to the Premises for its employees and agents twenty-four (24) hours a day, seven (7) days per week, at no additional charge to Lessee. In exercising its right of access to the Premises herein, Lessee agrees to cooperate with any reasonable security or access control procedures utilized by Lessor at Lessor's Property and further agrees not to unduly or unreasonably disturb or interfere with the business or other activities of Lessor or of other tenants or occupants of Lessor's Property. Lessor shall have the right to reconfigure

the traffic flow and location of such roadways and driveways on Lessor's Property without approval of or compensation to Lessee, provided that doing so does not unreasonably restrict Lessee's ability to access the Premises or otherwise unreasonably interfere with Lessee's operations on the Premises or Property. Lessor shall be responsible for maintaining and repairing such roadways and driveways on Lessor's Property at Lessor's sole expense, except for any damage caused by Lessee's use of such roadways or driveways. If Lessee causes any such damage, Lessee shall promptly repair the same at its sole expense to the condition in which it was prior to such damage. Lessee shall be responsible for the maintenance and compliance with laws of all structures and appurtenances located on the Premises which Lessee constructs. Lessee shall not use Lessee's access over the City Property for any purpose other than in support of Lessee's installation, construction, improvement, repair, maintenance and operation of the Digital Billboard and Lessee's Facilities. Lessee shall operate the Digital Billboard at its sole cost and is responsible for all utilities necessary to operate the Digital Billboard, including any and all hook-up fees and monthly charges.

10. Reserved Easements. Notwithstanding anything contrary in this Agreement, Lessor reserves to itself, together with the right in its sole discretion to grant to others in the future, nonexclusive utility easements (including easements for construction, maintenance, repair, replacement and reconstruction) over, under, through, above, across or on the Premises in locations that will not unreasonably interfere with Lessee's use of the Premises, operation of the Digital Billboard and Lessee's Facilities, or the operation, views, or lines of sight of any of the displays on the Digital Billboard, further detailed as the View Corridor in Exhibit B. Lessee shall not be obligated to maintain or repair easement facilities unless the need for repair is caused by Lessee's gross negligence or other wrongful conduct. Lessee shall be given reasonable written notice before commencement of any work on the Premises. Lessor also reserves to itself the right in its sole discretion to grant to others in the future nonexclusive easements over portions of the Premises for purposes of access to any adjacent land owned by Lessor including, without limitation, the right to grant access to improvements on adjacent land owned by Lessor, and for the construction, maintenance, repair, replacement or reconstruction of improvements or facilities located on such Lessor property, which will not unreasonably interfere with Lessee's use of the Premises or operation of any advertising structure, or the access, operation, views, or lines of sight of any of the displays.

11. Lessee's Work, Maintenance, Repairs and Restoration. All of Lessee's construction and installation work at the Premises, including the dismantling of the Existing Billboard and pre-construction and site preparation work on the Premises, shall be performed at Lessee's sole cost and expense and in a good and workmanlike manner. Lessee is—and shall remain—the owner of the Digital Billboard and Lessee's Facilities and shall remove the Digital Billboard upon the expiration or termination of this Agreement within ninety (90) calendar days after the receipt of all permits necessary to demolish the Digital Billboard. Prior to removal, Lessee shall obtain any permit(s) necessary for the demolition and removal of the Digital Billboard and Lessee's Facilities and City will expeditiously process such permits after receiving an application from Lessee. The ninety (90)-day count shall begin on the day that demolition permits are received from City. After removing the Digital Billboard, Lessee shall restore the ground surrounding where the Digital Billboard was installed to a level foundation. Lessee shall not be required to re-erect the Existing Billboard or any other sign; rather, the Premises shall be surrendered and left neat and clean and of finished grade.

Lessee shall maintain the Digital Billboard and Lessee's Facilities and the Premises in neat and safe condition in compliance with all applicable codes and governmental regulations, including and any and all security lighting or appliances installed. Lessee, at Lessee's expense, shall be required to make all repairs to the Premises due to damage caused by Lessee, its agents or contractors. Lessee shall also repair any damage that Lessee causes to the existing access roadways or driveways that lead to the Premises; but this shall be an obligation to repair damage *caused by Lessee*, its agents or contractors not an overarching maintenance obligation. Lessee shall keep the Digital Billboard in operating order in accordance with industry standards and shall promptly address any issues with the operation of the Digital Billboard. During the Term, Lessee shall install capital improvements or new digital faces as reasonably necessary in Lessee's sole opinion to maintain a modern Digital Billboard in keeping with industry best practices on digital billboard signs.

If Lessor, in its sole discretion, undertakes repairs that are Lessee's responsibility under this Agreement after written notice to Lessee and Lessee's failure to cure within applicable cure periods, Lessor shall give Lessee at least thirty (30) days' prior written notice of its intention to undertake the repairs and maintenance. If Lessee does not

make the repairs within that time period, or fails to satisfy Lessor that the repairs are not reasonably necessary, Lessee shall promptly reimburse Lessor for the reasonable cost of the repairs or maintenance performed by or on behalf of Lessor.

12. Title to the Digital Billboard and Lessee's Facilities. Title to the Digital Billboard and Lessee's Facilities and any equipment placed on the Premises by Lessee shall be held by and remain with Lessee. The Digital Billboard and all of Lessee's Facilities shall remain the property of Lessee and are not fixtures. Lessee has the right to remove the Digital Billboard and all Lessee's Facilities at its sole expense within ninety (90) days of the expiration or termination of this Agreement. Lessor acknowledges that Lessee may enter into financing arrangements including promissory notes and financial and security agreements for the financing of Lessee's Facilities (the "**Collateral**") with a third-party financing entity and may in the future enter into additional financing arrangements with other financing entities. In connection therewith, Lessor (i) consents to the installation of the Collateral to the extent that the Collateral is part of the approved Lessee's Facilities; (ii) disclaims any interest in the Collateral, as fixtures or otherwise, whether arising at law or otherwise, including, but not limited to any statutory landlord's lien; and (iii) agrees that the Collateral shall be exempt from execution, foreclosure, sale, levy, attachment, or distress for any Rent due or to become due and that such Collateral may be removed at any time without recourse to legal proceedings.

Notwithstanding anything in this section, Lessee agrees to remove the Digital Billboard and Lessee's Facilities from the Premises and return the Premises to the conditions that existed prior to the placement of such Facilities and equipment within ninety (90) days of the termination or expiration of this Agreement, reasonable wear and tear, casualty and condemnation excepted.

13. Digital Billboard Operation.

(a) Lessee shall conform operation of the Digital Billboard to this section, Exhibits "E" and "F" and to all applicable laws and regulations and conditions of the Development Approvals, including but not limited to laws and regulations pertaining to outdoor advertising.

(b) Subject to Lessee's obligation to display Public Service Announcements on a space-available basis (in accordance with Section 7), Lessee shall have the exclusive right to display outdoor advertising on the Digital Billboard. Lessee agrees to preempt its messages at any time without cost to Lessor in order to display Emergency Messaging by local, regional, state, or federal agencies with jurisdiction over the City.

(c) Lessee, shall not utilize the display faces on the Digital Billboard to advertise any of the following and shall, within a commercially reasonable time following written request therefor, remove from the Digital Billboard any advertising message that:

(i) directly promotes the sale or use of tobacco products, or illegal drugs or products;

(ii) contains "obscene matter," as that term is defined in California Penal Code section 311 on the Effective Date; or advertises an adult entertainment establishment;

(iii) contains matter that is vulgar, profane, scatological, or presents a clear and present danger of causing an imminent threat to health or safety;

(iv) is prohibited by any City ordinance existing as of the Effective Date of this Agreement or as may be amended or implemented from time-to-time after the Effective Date and equally applicable to all billboard displays.

If there is a dispute between Lessee and Lessor as to whether any such content is prohibited, Lessee shall remove the disputed content until the dispute is resolved. If Lessee displays any commercial advertisement in violation of any of the advertising standards described herein, Lessee shall remove the advertisement within three (3) business days following receipt by Lessee of a written notice of non-compliance from Lessor. If Lessee fails to remove a noncompliant advertisement within three (3) business days as stated above, Lessee shall be penalized \$250.00 per

day for every advertisement that has not been timely removed. Additionally, any failure by Lessee to remove an advertisement under the provisions above shall constitute a material breach of this Agreement and Lessor may, at its sole discretion, seek any and all remedies available at law.

(d) Lessee will install and maintain on the Digital Billboard on the pole a sign reading "City of Signal Hill." The design of such sign shall be approved by the City.

(e) Lessee may utilize the advertising space on the Digital Billboard for regional Emergency Messaging as reasonably necessary.

(f) Digital Billboard operation may not begin before the Commencement Date. Once it is fully-operational, the Digital Billboard shall be allowed to display advertisements 24-hours per day.

(g) The Digital Billboard shall not be placed such that the structure or its illumination interferes with the effectiveness of, or obscure, obstruct or otherwise physically interfere with any official traffic sign, device, or signal; nor shall any outdoor advertising structure include or be illuminated by flashing, intermittent, or moving lights except for electronic message centers; nor shall any outdoor advertising structure cause beams or rays of light to be directed at any roadway or freeway if the light is of such intensity or brilliance so as to cause glare or to impair the vision of any driver, or to interfere with any driver's operation of a motor vehicle.

(h) Each message on the Digital Billboard must be displayed for a minimum of (8) eight seconds and the interval between messages shall not be more than one second.

(i) The Digital Billboard shall use an automated system to adjust brightness, ≤ 0.3 ft-c/ambient light when measured perpendicularly from a distance of 250 feet.

14. Lessee's Advertising Policies. The Parties acknowledge that public advertising is an important form of public communication. Lessor desires to preserve this type of communication while preserving the character of the community. Accordingly, Lessee agrees to comply with the voluntary industry principles shown on the attached Exhibit "F."

15. Utilities. Lessee shall have the right to install utilities, at Lessee's expense, and to improve the present utilities on or near the Premises (including, but not limited to the installation of emergency back-up power); provided such installation does not unreasonably interfere with Lessor's use of the Property or existing utilities. Lessee shall have the right to place utilities on (or to bring utilities across) Lessor's Property to service the Premises and Lessee's Facilities. Lessor agrees to use reasonable efforts in assisting Lessee to acquire necessary utility service at no cost or expense to Lessor.

16. Taxes. This Agreement may create a possessory interest subject to property taxation, and Lessee hereunder in whom such possessory interest is vested may be subject to payment of property taxes levied on such interest. Lessee agrees to pay any such taxes when due.

(a) Lessee agrees to pay all lawful taxes, assessments or charges which during the Term hereof may become a lien or be levied by the state, county, city or any other tax or assessment levying body upon any interest in this Agreement or any possessory right which Lessee may have in or to said land and/or the improvements thereon by reason of its use or occupation thereof, or otherwise, as well as all taxes, assessments and charges on any activity conducted by Lessee on the Premises, and on goods, merchandise, fixtures, appliances, equipment and property owned by it in and about said Premises.

(b) Lessee may at no cost to Lessor reasonably contest the legal validity or amount of any taxes, assessments, or charges for which Lessee is responsible under this Agreement, and institute such proceedings as Lessee considers necessary; provided, however, that Lessee agrees that Lessee at all times shall protect Lessor and the Premises from foreclosure of any lien, and that Lessor shall not be required to join in any proceeding or

contest brought by Lessee, unless Lessor's participation is ordered as a necessary party to the proceeding, in which case Lessee shall be responsible for, indemnifying and holding Lessor harmless from all Lessor's cost and expenses (which obligations shall survive the expiration or earlier termination of this Agreement).

(c) In order to assist Lessor in its efforts to receive direct distribution of the local tax on materials associated with the development and operation of the Digital Billboard, the California Sales and Use Tax ("the Local Tax") shall be allocated to the Digital Billboard site, within the City, to the maximum extent reasonably possible. The Digital Billboard, as currently envisioned, has the potential to be a significant source of additional local use tax revenue to the Lessor. Lessee and all of its contractors, subcontractors, and suppliers shall cooperate with the Lessor to the extent that is reasonably possible to maximize the allocation of the Local Tax to the Lessor. To the extent commercially reasonable, Lessee and its contractor(s) and sub-contractor(s) shall require equipment and material vendors and suppliers from which they make any individual purchases, which are subject to use tax and are to be used in the City, to allocate the local use tax to the Lessor to the extent authorized by law. The incremental Local Tax generated from the construction of Digital Billboard project shall accrue to the Lessor in accordance with the applicable law.

17. Termination. For the avoidance of doubt, any and all Caltrans permits relating to the operation of the Digital Billboard shall remain the property of Lessee in the event of termination contemplated in this section.

(a) By Lessee.

(1) Title Defects. This Agreement may be immediately terminated by Lessee in its sole discretion without further liability, by delivery of written notice thereof to Lessor prior to the Commencement Date for any reason resulting from Lessee's Due Diligence, or if a title report obtained by Lessee for Lessor's Property shows any defects of title or any liens or encumbrances which may adversely affect Lessee's use of the Premises for Lessee's intended use, or for any other or no reason.

(b) By Lessor. Lessor may terminate this Agreement, in its sole and absolute discretion, without further liability (i) pursuant to Section 5; or (ii) if Lessee fails to pay Rent or other sums of money required to be paid by Lessee when due, and fails to cure such monetary default within ten (10) business days of written notice from Lessor of such failure; or (iii) if Lessee breaches or defaults in the performance of any of the covenants, terms or conditions of this Agreement and fails to cure such breach or default within thirty (30) days of receipt of written notice from Lessor or such longer period as may be reasonably necessary to cure such breach or default. Lessor shall deliver notices to Lessee according to the requirements in Section 25.

18. Obstruction. Lessor and Lessor's agents, employees or other persons acting on Lessor's behalf, shall not place or maintain any object on the Property or the Premises or any neighboring property owned or controlled by Lessor, which in Lessee's sole and reasonable opinion, would obstruct access to the Digital Billboard or Premises or all or any portion of the view of the advertising copy on the Digital Billboard. If Lessor fails to remove the obstruction within five (5) days after notice from Lessee, Lessee may in its sole discretion: (a) remove the obstruction at Lessor's expense; or (b) reduce the rent to One Hundred Dollars (\$100.00) per month while the obstruction continues. Lessee may trim any trees and vegetation currently on the Premises and on any neighboring property owned or controlled by the Lessor as often as the Lessee in its sole and reasonable discretion deems appropriate to prevent obstructions.

Further, if, in Lessee's sole and reasonable opinion, for any reason not caused by Lessee: (a) the view of the Digital Billboard's advertising copy becomes entirely or partially obstructed; (b) access to the Digital Billboard or the Premises becomes unavailable or restricted; (c) electrical service or illumination is unavailable or restricted; (d) the Digital Billboard or Premises cannot safely be used for the erection or maintenance of the Digital Billboard for any reason; (e) there is a diversion, reduction or change in directional flow of traffic from the street or streets currently adjacent to or leading to or past the Digital Billboard or Premises; (f) Lessee is unable to obtain or maintain any necessary permit(s) for the erection, use and/or maintenance of the Digital Billboard; or (g) the Digital Billboard's use is prevented or restricted by law; then Lessee shall inform Lessor in writing, and request to engage in a consultation with Lessor for the purpose of discussing and mutually-agreeing to either: (i) reduce rent in direct proportion to the loss suffered for so long as such loss continues; or

(ii) cancel this Agreement and receive all pre-paid MAG for that month, if any, as an exception to Section 6(b) of this Agreement.

19. Condemnation. If a condemning authority takes all of Lessor's Property, or a portion which in Lessee's sole discretion is sufficient to render the Premises unsuitable for Lessee's ongoing operation, then Lessee shall have the right to terminate this agreement. In any condemnation proceeding, each party shall be entitled to make a claim against the condemning authority for just compensation recoverable under applicable condemnation law. Sale of all or part of the Premises to a purchaser with the power of eminent domain in the face of the exercise of its power of eminent domain shall be treated as a taking by a condemning authority. For the avoidance of doubt, any and all Caltrans permits relating to the operation of the Digital Billboard shall remain the property of Lessee in the event of any such condemnation contemplated by this Section 19.

20. Insurance.

(a) Policies. Without limiting Lessee's indemnification of Lessor, and prior to commencement of work, Lessee shall obtain, provide, and maintain at its own expense during the term of this Agreement, policies of insurance of the types and amounts described below and in a form that is satisfactory to Lessor.

(1) General liability insurance. Lessee shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

(2) Automobile liability insurance. Lessee shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Lessee arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned, or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

(3) Umbrella or excess liability insurance. Lessee shall obtain and maintain an umbrella liability insurance policy with limits of \$5,000,000 that will provide bodily injury, personal injury, and property damage liability coverage, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- i. A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason, other than bankruptcy or insolvency of said primary insurer;
- ii. "Pay on behalf of" wording as opposed to "reimbursement";
- iii. Concurrency of effective dates with primary policies.

Should Lessee obtain and maintain an excess liability policy, such policy shall be excess over commercial general liability, automobile liability, and employer's liability policies. Such policy or policies shall include wording that the excess liability policy follows the terms and conditions of the underlying policies.

(4) Workers' compensation insurance. Lessee shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

(5) Lessor agrees to maintain liability insurance for their own operations and activities on its owned Property.

(b) Proof of insurance. Lessee shall provide certificates of insurance and required endorsements to Lessor as evidence of the insurance coverage required herein. Insurance certificates and endorsements must be approved by Lessor's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with Lessor for the contract period and any additional length of time required thereafter.

(c) Duration of coverage. Lessee shall procure and maintain for the term, and any additional length of time required thereafter, insurance against claims for injuries to persons or damages to property, or financial loss which may arise from or in connection with performance under this Agreement by Lessee, their agents, representatives, employees, or subconsultants.

(d) Primary/non-contributing. Coverage provided by Lessee shall be primary and any insurance or self-insurance procured or maintained by Lessor shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Lessor before the Lessor's own insurance or self-insurance shall be called upon to protect it as a named insured.

(e) Lessor's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Lessor has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by Lessor will be promptly reimbursed by Lessee or Lessor will withhold amounts sufficient to pay premium from Lessee payments. In the alternative, Lessor may cancel this Agreement.

(f) Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the Lessor's Risk Manager.

(f) Waiver of subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against Lessor, its elected or appointed officers, agents, officials, employees, and volunteers or shall specifically allow Lessee or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Lessee hereby waives its own right of recovery against Lessor and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(g) Products/completed operations coverage. Products liability coverage shall extend for a minimum of three years (3) after project completion, and completed operations coverage for construction agreements shall extend for 10 years from the date of substantial completion of the project or the statute of repose, whichever is longer. Coverage shall be included on behalf of the insured for covered claims arising out of the actions of independent contractors. If the insured is using subcontractors, the Policy must include work performed "by or on behalf" of the insured. Policy shall contain no language that would invalidate or remove the insurer's duty to defend or indemnify for claims or suits expressly excluded from coverage. Policy shall specifically provide for a duty to defend on the part of the insurer. The City, its officials, officers, agents, and employees, shall be included as additional insureds under the Products and Completed Operations coverage.

(h) Enforcement of contract provisions (non estoppel). Lessee acknowledges and agrees that any actual or alleged failure on the part of the Lessor to inform Lessee of non-compliance with any requirement imposes no additional obligations on the Lessor nor does it waive any rights hereunder.

(i) Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Lessee maintains higher limits than the minimums shown above, the Lessor requires and shall be

entitled to coverage for the higher limits maintained by the Lessee. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Lessor.

(j) Notice of cancellation. Lessee agrees to oblige its insurance agent or broker and insurers to provide the Lessor with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage. If any of the Lessee's insurers are unwilling to provide such notice, then Lessee shall have the responsibility of notifying the Lessor immediately in the event of Lessee's failure to renew any of the required insurance coverages or insurer's cancellation or non-renewal.

(k) Additional insured status. General liability, automobile liability, and umbrella/excess liability insurance policies shall provide or be endorsed to provide that City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies.

(l) Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to Lessor and approved of in writing.

(m) Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Lessee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

(n) Pass through clause. Lessee agrees to ensure that its subconsultants, subcontractors, and any other party who is brought into or involved in the services by Lessee (hereinafter collectively "Subcontractor"), provide the same minimum insurance coverage and endorsements required of Lessee. Lessee agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. However, in the event Lessee's Subcontractor cannot comply with this requirement, which proof must be submitted to the Lessor, Lessee may still be able to utilize the Subcontractor provided Lessee shall be required to ensure that its Subcontractor provide and maintain insurance coverage and endorsements sufficient to the specific risk of exposure involved with Subcontractor's scope of work and services, with limits less than required of the Lessee, but in all other terms consistent with the Lessee's requirements under this Agreement. This provision does not relieve the Lessee of its contractual obligations under the Agreement and/or limit its liability to the amount of insurance coverage provided by its Subcontractors. This provision is intended solely to provide Lessee with the ability to utilize a Subcontractor who may be otherwise qualified to perform the work or services but may not carry the same insurance limits as required of the Lessee under this Agreement given the limited scope of work or services provided by the Subcontractor. Lessee agrees that upon request, all agreements with Subcontractors, and others engaged in the services, will be submitted to Lessor for review.

(o) Lessor's right to revise specifications. The Lessor reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Lessee ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Lessee, the Lessor and Lessee may renegotiate Lessee's compensation.

(p) Self-insured retentions. Any self-insured retentions must be declared to and approved by Lessor. Lessor reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible, or require proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention through confirmation from the underwriter.

(q) Timely notice of claims. Lessee shall give Lessor prompt and timely notice of claims made or suits instituted that arise out of or result from Lessee's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

(r) Additional insurance. Lessee shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

21. Assignments or Transfers. Lessee shall not assign or transfer this Agreement to any other person or entity in whole or in part unless the Assignee or Transferee first agrees in writing to fulfill all of the duties and obligations of the Lessee in this Agreement, and the Lessor has approved in writing of the assignment or transfer, which approval may be withheld in its reasonable discretion, and the Lessor's City Attorney shall first approve in writing of the form of the assignment or transfer document. Notwithstanding the foregoing, however, Lessee may assign this Agreement upon written notice to Lessor, to any person controlling, controlled by, or under common control with Lessee, or any person or entity that acquires Lessee's business and assumes all existing, and future obligations of Lessee under this Agreement. Upon such assignment, Lessee shall be relieved of all liabilities and obligations hereunder accruing thereafter and Lessor shall look solely to the assignee for performance under this Agreement and all obligations accruing thereafter provided such assignee accepts such obligations in writing and is of substantially similar financial strength or credit worthiness to Lessee at the inception of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, Lessee may assign, mortgage, pledge, hypothecate or otherwise transfer without consent its interest in this Agreement to any financing entity, or agent on behalf of any financing entity to whom Lessee (i) has obligations for borrowed money or in respect to guaranties thereof, (ii) has obligations evidenced by loans, bonds, debentures, notes or similar instruments, or (iii) has obligations under or with respect to letters of credit, bankers acceptances and similar facilities or in respect of guaranties thereof.

22. Non-disturbance and Quiet Enjoyment; Subordination; Estoppel Certificates.

(a) So long as Lessee is not in default under this Agreement, Lessee shall be entitled to quiet enjoyment of the Premises during the term of this Agreement or any Renewal Term, and Lessee shall not be disturbed in its occupancy and use of the Premises or the exercise of its rights and privileges as granted herein.

(b) This Agreement shall be subordinate to each and every deed of trust, mortgage or other security instrument which may now or hereafter affect Lessor's Property and to any renewals, extensions, supplements, amendments, modifications or replacements thereof. In confirmation of such subordination, Lessee shall execute and deliver promptly any commercially-reasonable certificate of subordination that Lessor may reasonably request, provided that such certificate acknowledges that this Agreement remains in full force and effect, recognizes Lessee's right to non-disturbance and quiet enjoyment of the Premises so long as Lessee is not in default under this Agreement, only contains true and accurate statements, and Lessee's liability shall be capped at the remaining rent under this Agreement. If any mortgagee or lender succeeds to Lessor's interest in Lessor's Property through a foreclosure proceeding or by a deed in lieu of foreclosure, Lessee shall attorn to and recognize such successor as Lessor under this Agreement provided such party similarly agrees not to disturb Lessee's occupancy and use of the Premises or the exercise of its rights and privileges as granted herein.

(c) At any time upon not less than ten (10) business days' prior written notice by a party, the other party shall execute, acknowledge and deliver to that party a Memorandum of Lease substantially in the form set forth in Exhibit "G" or other written statement in writing certifying that this Agreement is in full force and effect, if true, and the status of any continuing defaults under this Agreement.

23. Indemnification.

(a) Lessee's Indemnity. Lessee hereby agrees to defend, protect, indemnify and hold Lessor and Lessor's elected and appointed officials, officers, employees, agents and volunteers ("**Lessor's Indemnities**") free and harmless from and against any and all losses, claims, demands, liabilities, damages, actions, causes of action, costs and expenses including reasonable attorney's fees and costs of court, and injuries, including personal injuries or death, related to or arising from this Agreement, including without limitation, Lessee's performance, or failure to perform its obligations under this Agreement, or to the extent caused by Lessee's negligent occupation, use, operation, maintenance or repair of Lessee's Facilities at the Premises, or access over Lessor's Property to the Premises, except those resulting from the sole gross negligence or willful misconduct of Lessor or Lessor's Indemnities. Lessee agrees to assume all risk of injury to Lessee's personnel or damage to the Digital Billboard or to any other property of Lessee or under the control or custody of Lessee while upon the Premises caused by or contributed to in any way by the construction, operation, maintenance, repair, or use of City Property.

(b) Lessor's Indemnity. Lessor hereby agrees to defend, indemnify and hold Lessee and Lessee's officers, directors, partners, shareholders, employees, agents, contractors or subcontractors free and harmless from and against any and all losses, claims, liabilities, damages, actions, causes of action, costs and expenses (including attorney's fees and costs of court) and injuries (including personal injuries or death) related to or arising from Lessor's negligent use, operation, maintenance or repair of improvements on Lessor's Property, the use of Lessor's Property by other tenants or lessees of Lessor (not including public and private utility providers), or any violation by Lessor of governmental regulations relating to the Premises, except those resulting from the sole gross negligence or willful misconduct of Lessee or Lessee's officers, directors, partners, shareholders, employees, agents, contractors or subcontractors.

(c) Special Damages. Notwithstanding any other provision of this Agreement, neither Party shall be liable to the other for consequential damages, damages for lost income and profits, exemplary or punitive damages or other special damages, whether in tort, contract or equity.

(d) Survival of Indemnity Provisions. The indemnity provisions of this Section shall survive the expiration, cancellation or expiration of this Agreement for the length of the applicable statute of limitations term during which a claim may be filed plus 30 days, and any claims for indemnification under this Section shall be brought within that period.

24. Hazardous Material. Lessee agrees that it will not use, generate, store or dispose of any Hazardous Material (as defined below) on, under, about or within the Lessor's Property in violation of any law or regulation. Lessor represents, warrants and agrees: (1) that neither Lessor nor, to Lessor's knowledge, any third party has used, generated, stored or disposed of, or permitted the use, generation, storage or disposal of, any Hazardous Material (defined below) on, under, about or within Lessor's Property in violation of any law or regulation, and (2) that Lessor will not, and will not permit any third party to use, generate, store or dispose of any Hazardous Material on, under, about or within Lessor's Property in violation of any law or regulation. Lessor and Lessee each agree to defend, indemnify and hold harmless the other and the other's partners, affiliates, agents and employees against any and all losses, liabilities, claims and/or costs (including reasonable attorneys' fees and costs) arising from any breach of any representation, warranty or agreement contained in this paragraph. As used in this paragraph, "Hazardous Material" shall mean petroleum or any petroleum product, asbestos, any substance known by the state in which Lessor's Property is located (California) to cause cancer and/or reproductive harm or toxicity, and/or any substance, chemical or waste that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation.

25. Notices and Deliveries. Any notice or demand required to be given herein shall be made in writing and shall be sent by: (a) certified or registered mail, postage pre-paid, return receipt requested, (b) personal delivery or (c) by reliable overnight delivery service that provides proof of delivery, and shall be addressed as follows:

If to Landlord:

City of Signal Hill
Attn: City Manager
2175 Cherry Avenue
Signal Hill, CA 90755

With a copy to:

Matthew Richardson
Best, Best, and Krieger LLP
18101 Von Karman Avenue
Suite 1000
Irvine, CA 92612

If to Tenant:

Clear Channel Outdoor, LLC
Attn: Vice President, Real Estate
19320 Harborage Way
Torrance, CA 90501

With a copy to:

Clear Channel Outdoor, LLC
Attn: Legal Department
2325 East Camelback Road, Ste. 250
Phoenix, AZ 85016

Lessor or Lessee may from time to time designate any other addressees and addresses for notices or deliveries by written notice to the other party.

26. Bankruptcy.

(a) Lessor and Lessee hereby expressly agree and acknowledge that it is the intention of both parties that in the event during the term of this Agreement, either party shall become a debtor in any voluntary or involuntary bankruptcy proceeding (a Proceeding) under the United States Bankruptcy Code, 11 U.S.C. § 101, *et seq.*, (“Code”), this Agreement is and shall be treated as an unexpired lease of nonresidential real property for purposes of section 365 of the Code, 11 U.S.C. § 365 (as may be amended), and, accordingly, shall be subject to the provisions of subsections (d)(3) and (d)(4) of said section 365 (as may be amended).

(b) Any person or entity to which this Agreement is assigned pursuant to the provisions of the Bankruptcy Code, 11 U.S.C. § 101, *et seq.*, shall be deemed without further act to have assumed all of the obligations of Lessee arising under this Agreement both before and after the date of such assignment. Any such assignee shall, upon demand execute and deliver to Lessor an instrument confirming such assumption. Any monies or other considerations payable or otherwise to be delivered in connection with such assignment shall be paid to Lessor, shall be the exclusive property of Lessor, and shall not constitute property of the Lessee or of the estate of Lessee within the meaning of the Code. Any monies or other considerations constituting Lessor’s property under the preceding sentence not paid or delivered to Lessor shall be held in trust for the benefit of Lessor and be promptly paid to Lessor.

27. Remedies. Lessor’s rights and remedies are cumulative, and the exercise by Lessor of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by Lessor. Upon expiration of the applicable cure period (without cure), Lessor may, at its option, commence an action for damages, specific performance, or any other remedy as is permitted by law for such a default, or may terminate this Agreement by written notice to Lessee.

28. Relationship of Parties. Under no circumstances shall this Agreement be construed as one of agency, partnership, joint venture or employment between Lessee and Lessor, notwithstanding that concurrently the parties will be entering into the transit shelter management agreement.

29. Miscellaneous.

(a) Severability. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction with respect to any party, the remainder of this Agreement or the application of such provision to persons other than those as to whom it is held invalid or unenforceable shall not be affected, each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law, and the parties shall negotiate in good faith to amend this Agreement to retain the economic effect of the invalid or unenforceable provisions.

(b) Binding Effect. Each party represents and warrants that said party has full power and authority, and the person(s) executing this Agreement have full power and authority, to execute and deliver this Agreement, and that this Agreement constitutes a valid and binding obligation of each party, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditor’s rights generally and by general equitable principles (whether enforcement is sought in proceedings in equity or at law). This Agreement shall be binding on and inure to the benefit of the successors and permitted assignees of the respective parties.

(c) Waivers. No provision of this Agreement shall be deemed to have been waived by a party unless the waiver is in writing and signed by the party against whom enforcement of the waiver is attempted. No custom or practice which may develop between the parties in the implementation or administration of the terms of this Agreement shall be construed to waive or lessen any right to insist upon strict performance of the terms of this Agreement.

(d) Governing Law, Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Sole venue for any legal claim arising hereunder shall be in the Superior Court of the State of California in Los Angeles County.

(e) Attorneys' Fees and Costs. The prevailing party in any legal claim arising hereunder shall be entitled to its reasonable attorneys' fees and costs and court costs as may be awarded by the court.

(f) Survival. Terms, conditions, obligations, and indemnifications of this Agreement which by their sense and context survive the termination, cancellation or expiration of this Agreement will so survive for a period of two (2) years, or the applicable statute of limitations.

(g) Entire Agreement; Amendments. This Agreement constitutes the entire agreement and understanding between the parties regarding Lessee's lease of the Premises and supersedes all prior and contemporaneous offers, negotiations and other agreements concerning the subject matter contained herein. There are no representations or understandings of any kind not set forth herein. Any amendments to this Agreement must be in writing and executed by duly authorized representatives of both parties.

(h) No Presumptions Regarding Preparation of Agreement. The parties acknowledge and agree that each of the parties has been represented by counsel or has had full opportunity to consult with counsel and that each of the parties has participated in the negotiation and drafting of this Agreement. Accordingly, it is the intention and agreement of the parties that the language, terms and conditions of this Agreement are not to be construed in any way against or in favor of any party hereto by reason of the roles and responsibilities of the parties or their counsel in connection with the preparation of this Agreement.

(i) Interpretation.

(1) Unless the context of this Agreement clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limiting.

(2) The headings in this Agreement are for reference only and are not incorporated in any term herein.

(j) No Personal Liability of Officials and Employees of either Party. No elected official, officer, employee, agent, or volunteer of either Party shall be personally liable for any default or liability whatsoever under this Agreement, except in instances of criminal negligence.

(k) Public Document. Lessor is a municipal corporation under the laws of the State of California. Lessor and Lessee acknowledge that this Agreement is subject to public disclosure as specified by California Government Code § 6250 *et seq.*, and is a "public record" within the meaning of California Government Code § 6252(e).

(l) No Assurances. Execution of this Agreement is completely unrelated to any and all City of Signal Hill planning process(es) and all other required municipal licenses, permits, authorizations, and approvals whatsoever. Execution of this Agreement does not assure Lessee that it will be successful in whole or in part in securing any or all required City of Signal Hill permits, or any other required permits or authorizations. Lessee is solely responsible, at its sole expense, for securing any and all required governmental authorizations to construct and to operate Lessee's Facilities.

(m) Payment of Sums During Breach. The receipt of any sum paid by Lessee to Lessor after a breach of this Agreement shall not be deemed a waiver of such breach unless expressly set forth in writing by Lessor.

(n) Records; Audit. Lessee shall accurately maintain, for a period not less than five (5) years following the close of a fiscal year, all records relating to the annual gross revenue from the Digital Billboard,

including, but not limited to, advertising contracts, commission contracts or arrangements, and billing records. Lessee shall maintain complete accounting records on an accrual basis in accordance with generally accepted accounting principles (GAAP). Lessee shall maintain all records in a manner that allows for the separate identification of all revenues and expenses associated with advertising space sold on the Digital Billboard. The City shall have the right, upon ten (10) business days' advance notice, once every Lease Year and then only for the prior Lease Year, to inspect, audit and copy all such records. Such records shall be made available to City for inspection, audit and copying at Lessee's regular place of business, but in no event outside the County of Los Angeles, California. All such records shall be subject to audit and inspection, for the primary purpose of assuring compliance with the terms of this Agreement, by the City, its auditors or other agents. If such audit discloses an underpayment of the Rent due under this Agreement, Lessee shall pay to City, within thirty (30) days of written notice from City, together with detailed back-up documentation supporting such underpayment, the amount of such underpayment, together with interest at the rate of twelve percent (12%) per year computed from the date Lessee should have made the payment. provided, however, that any such interest shall cease to accrue after twelve (12) months from the date of such underpayment. If the underpayment exceeds ten percent (10%) of the amount that should have been paid for any given year, Lessee shall further reimburse the City for the entirety of its reasonable and actual audit costs, including, without limitation, auditor's cost and expenses, internal costs and expenses, and legal and other third-party expenses. If an audit discloses overpayment(s) by Lessee, the City shall promptly refund the overpayment without interest, or credit it without interest against sums owed by the Lessee. For purposes of this Section, an "underpayment" or "overpayment" shall consist of the difference between the sum of the payments made by Lessee in a calendar year, as determined by the audit.

(o) Intentionally omitted.

(p) Additional Consideration. Lessee shall offer a discount of not less than ten (10%) percent from their published rates to all businesses that maintain their headquarters or a principal place of business within the boundaries of the City of Signal Hill. In order to qualify for this discount, such businesses shall provide reasonable documentation to Lessee.

(q) Agreement Contingent. The parties expressly agree that this Agreement is expressly conditioned upon the execution and delivery of the bus transit shelter agreement by each of the parties.

(r) Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives on the dates set forth below and acknowledge that this Agreement is effective as of the date first above written.

[SIGNATURES ON FOLLOWING PAGE]

TENANT:
CLEAR CHANNEL OUTDOOR, LLC

LANDLORD:
CITY OF SIGNAL HILL

By: _____
Bryan Parker
Executive Vice President
Real Estate and Public Affairs

By: _____
Carlo Tomaino
City Manager

Telephone No. _____
Facsimile No. _____

Telephone No. _____
Facsimile No. _____

Date: _____

Date: _____

ATTEST:

By: _____
Daritza Gonzalez
City Clerk

APPROVED AS TO FORM:

By: _____
Matthew E Richardson
Best Best & Krieger LLP
City Attorney

Exhibit A
Legal Description, Assessor's Parcel Number (APN), and Parcel Map

Site address:
3100 California Avenue, Signal Hill, CA 90755 (APN: 7212-001-933).

Legal Description:

ASSESSORS PARCEL 7212-001-031

THAT CERTAIN REAL PROPERTY LOCATED IN THE CITY OF SIGNAL HILL, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THE WEST 15 ACRES (AREA BEING COMPUTED TO STREET CENTERS) OF FARM LOT 23 OF THE AMERICAN COLONY TRACT, RANCHO LOS CERRITOS, IN THE CITY OF SIGNAL HILL. COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 19 PAGE 89 AND 90 OF MISCELLANEOUS RECORDS OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA, RECORDED

DECEMBER 4, 1959 AS INSTRUMENT NO 1125 OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT THAT PORTION OF FARM LOT 23 LYING NORTHERLY AND EASTERLY OF THE SOUTH LINE OF SAID LAND DESCRIBED IN A DEED CONVEYED TO THE STATE OF CALIFORNIA, RECORDED DECEMBER 4, 1959 AS INSTRUMENT NO. 1125 OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND CONVEYED TO DARNELL AND DICK INVESTMENT COMPANY, RECORDED SEPTEMBER 18, 1973 AS INSTRUMENT NO 2462 OFFICIAL RECORDS, AND DESCRIBED AS FOLLOWS:

THAT PORTION OF THE WEST 15 ACRES OF FARM LOT 23 IN THE AMERICAN COLONY TRACT. AS SHOWN ON MAP RECORDED IN BOOK 19, PAGES 89 AND 90, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, REQUIRED BY THE STATE OF CALIFORNIA BY PARCEL 55-C OF DEED (STATE PARCEL 8177) RECORDS IN BOOK D1708, PAGE 746 OF OFFICIAL RECORDS, IN SAID OFFICE. DESCRIBED AS FOLLOWS.

BEGINNING AT THE SOUTHWESTERLY CORNER OF SAID PARCEL 55-C, THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 55-C, NORTH 89° 50' 57" EAST, 8 49 FEET. THENCE NORTH 30° 40' 08" WEST, 16 62 FEET TO THE WESTERLY LINE OF SAID PARCEL 55-C, THENCE ALONG SAID WESTERLY LINE SOUTH 0° 05' 17" EAST, 14.30 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM THAT PORTION DISCLOSED IN A TAX DEED TO WILLIAM QUINN, RECORDED MARCH 1, 1982 AS INSTRUMENT NO 213753 OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED THEREIN AS FOLLOWS:

AMERICAN COLONY TRACT LOT COMMENCING EAST 576 FEET FROM THE INTERSECTION OF THE SOUTH LINE OF LOT 23 WITH THE EAST LINE OF CALIFORNIA AVENUE PER MAP R 19-89-90, THENCE EAST 32 FEET WITH A UNIFORM DEPTH OF 66 FEET, NORTH PART OF LOT 23.

ALSO EXCEPT THE SOUTH 66 FEET OF THE EAST 32 FEET OF THE WEST 736 FEET (COMPUTED FROM THE EAST LINE OF CALIFORNIA AVENUE) OF THE WEST 15 ACRES OF SAID FARM LOT 23.

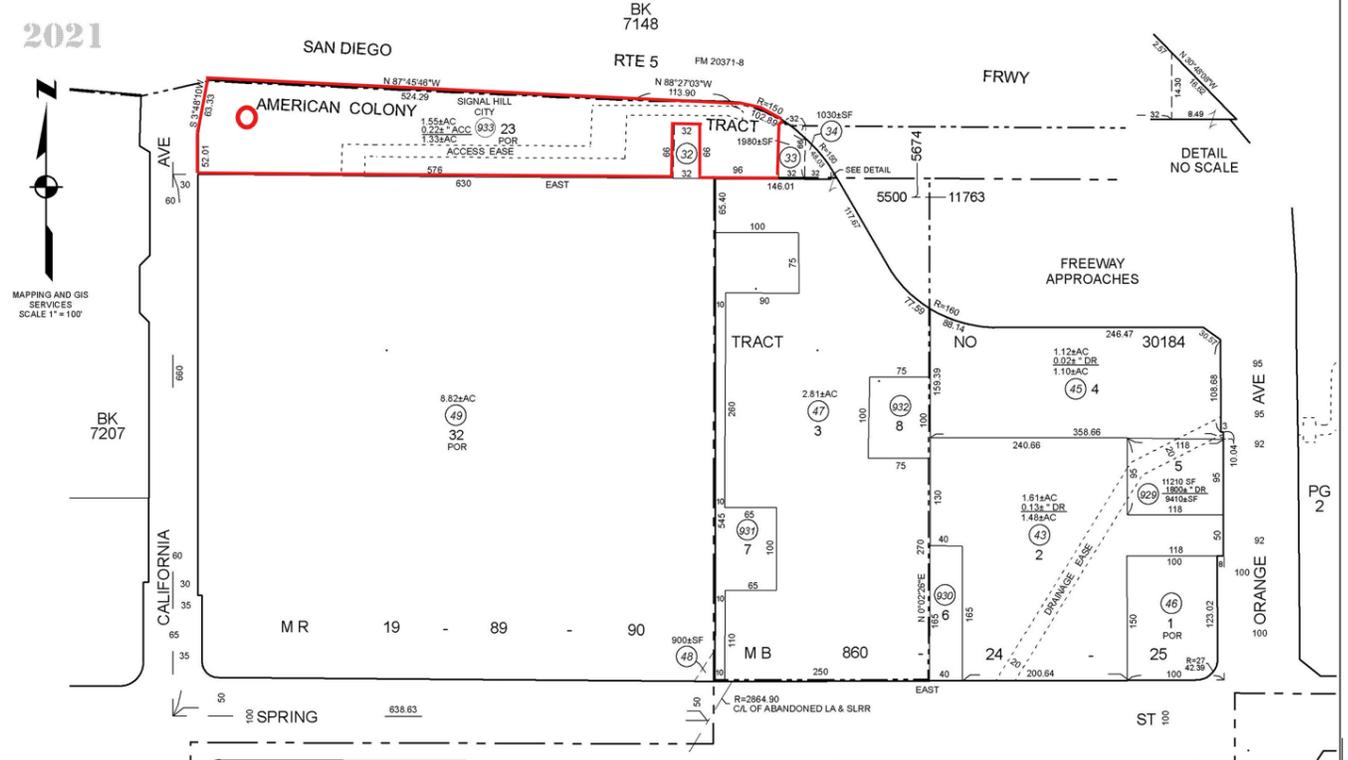
ALSO EXCEPT PARCEL 48-F THE SOUTH 22 FEET OF THE EAST 32 FEET OF THE NORTH 616 FEET OF THE WEST 768 FEET (COMPUTED FROM THE EAST LINE OF CALIFORNIA

AVENUE) OF THE WEST 15 ACRES OF SAID FARM LOT 23.

ALSO EXCEPT PARCEL 60-F ALL SOUTH OF THE NORTH 638 FEET OF THE EAST 32 FEET OF THE WEST 768 FEET (COMPUTED FROM THE EAST LINE OF CALIFORNIA AVENUE) OF THE WEST 15 ACRES OF SAID FARM LOT 23.

ALSO EXCEPT PARCEL 54-F THE SOUTH 22 FEET OF THE EAST 32 FEET OF THE NORTH 638 FEET OF THE WEST 768 FEET (COMPUTED FROM THE EAST LINE OF CALIFORNIA AVENUE) OF THE WEST 15 ACRES OF SAID FARM LOT 23.

ALSO EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING BELOW THE SURFACE OF SAID LAND. AS RESERVED OR GRANTED IN DOCUMENTS OF RECORD.



Red area: The real property mentioned in Recital A (3100 California, Avenue, Signal Hill, California 90755

Exhibit B

Premises Map and Visibility Corridor

The Premises shall consist of the area highlighted in blue, commonly known as the Signal Hill Dog Park. The Visibility Corridor shall consist of the area highlighted in yellow, spanning one thousand (1,000) feet west of southwest corner of the Premises and spanning one thousand (1,000) feet east of the southeast corner of the Premises, in addition to the area in between, to the edge of Freeway I-405.



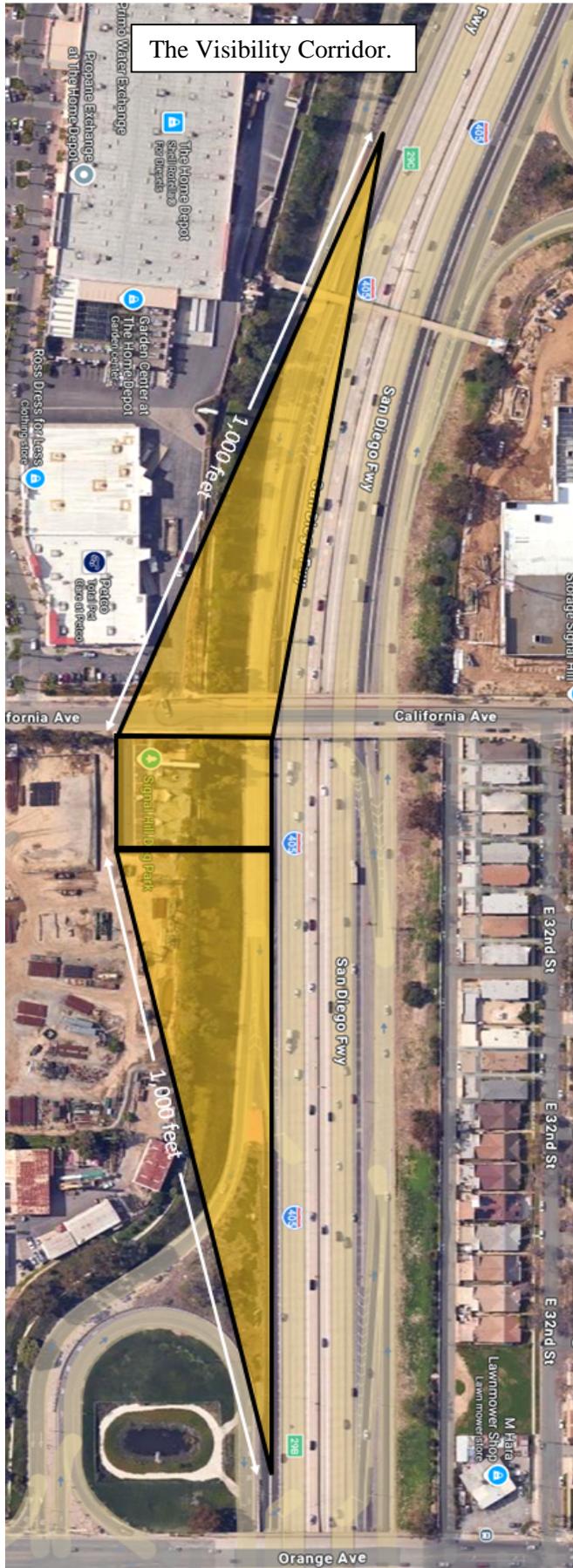


Exhibit C

Billboard Structure Design Details

[CCO TO PROVIDE]

Exhibit D

Rental Terms: MAG Schedule & Percentage Rent

Tenant shall pay Landlord the Minimum Annual Guarantee (“**MAG**”) set forth in the table below, payable in twelve (12) equal monthly installments on or before the first day of each month. The MAG shall increase automatically by ten percent (10%) in Year 6 and every five (5) years thereafter as reflected in the table below. Within thirty (30) days following the one (1) year period after the Commencement Date and each anniversary thereof during the Term, Tenant shall pay to Landlord the amount, if any, by which thirty-five percent (35%) of the annual Net Revenue (defined as gross advertising revenue less any agency commission not to exceed sixteen and sixty seven hundredths (16.67%) indefeasibly received and recognized by Tenant for the Digital Billboard in respect of such one-year period exceeds the MAG paid to Landlord during such year (“**Percentage Rent**”). Such Percentage Rent payment shall be accompanied by a reasonably detailed statement of how such Percentage Rent was calculated. Landlord shall maintain such information as confidential and solely for revenue verification purposes. If Landlord’s review reveals any additional amount due to Landlord, Tenant shall deliver such additional undisputed payment within thirty (30) days’ written notice thereof. Rent for years 21 to 30 shall be payable to Lessor unless either party sends written notice of intent not to renew, at least one hundred eight (180) days before the expiration of the initial term.

Lease Year	Minimum Annual Guarantee 2 Digital Faces
1	\$150,000.00
2	\$225,000.00
3	\$225,000.00
4	\$225,000.00
5	\$225,000.00
6	\$247,500.00
7	\$247,500.00
8	\$247,500.00
9	\$247,500.00
10	\$247,500.00
11	\$272,250.00
12	\$272,250.00
13	\$272,250.00
14	\$272,250.00
15	\$272,250.00
16	\$299,475.00
17	\$299,475.00
18	\$299,475.00
19	\$299,475.00
20	\$299,475.00
Extension Term (Unless either party sends written notice of intent not renew at least one hundred eighty (180) days before the expiration of the initial term.)	\$329,423.00
21	
22	\$329,423.00
23	\$329,423.00
24	\$329,423.00
25	\$329,423.00
26	\$362,365.00
27	\$362,365.00
28	\$362,365.00
29	\$362,365.00
30	\$362,365.00

THE PARTIES EXPRESSLY ACKNOWLEDGE AND AGREE THAT THE MAG NUMBERS SET FORTH IN THE PRECEDING TABLE ARE BASED ON TENANT’S INSTALLATION, OPERATION, AND MAINTENANCE OF A DOUBLE-SIDED ADVERTISING STRUCTURE WITH TWO DIGITAL DISPLAY FACES. IN THE EVENT THAT TENANT DOES NOT OBTAIN APPROVALS TO – OR ULTIMATELY IS UNABLE TO CONSTRUCT A DOUBLE-SIDED DIGITAL STRUCTURE – THEN THE PARTIES SHALL AMEND THIS AGREEMENT TO PROVIDE FOR THE MAG IN THAT INSTANCE.

Exhibit E

Operating Requirements
[CCO TO PROVIDE]

Exhibit F

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Code of Industry Standards

[CCO TO PROVIDE]

Exhibit G
Memorandum of Lease

WHEN RECORDED MAIL TO:

CLEAR CHANNEL OUTDOOR, LLC
Attn: Legal Department
2325 East Camelback Road, Suite 250
Phoenix, Arizona 85016

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (this “Memorandum”) is made by THE CITY OF SIGNAL HILL (“Landlord”) and CLEAR CHANNEL OUTDOOR (“Tenant”) upon the following terms:

1. Landlord is the owner of the following described Property: 3100 California Avenue, Signal Hill, California 90755, APN: 7212-001-933 located entirely within City of Signal Hill in the County of Los Angeles, State of California.
2. Landlord and Tenant have entered into that certain DIGITAL BILLBOARD SITE LEASE AGREEMENT SIGNAL HILL, CALIFORNIA, dated [DATE] (the “Lease”), wherein Tenant has leased portions of the Property for the construction, maintenance and operation of one or more outdoor advertising structures for a term beginning on [DATE] and continuing for twenty (20) years, excluding extensions and renewals, if any.
3. The purpose of this Memorandum is to give record notice of the Lease and of the rights created thereby, all of which are hereby confirmed.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Tenant and Landlord have executed this Memorandum as of the ____ day of _____, 20__.

TENANT: CLEAR CHANNEL OUTDOOR, LLC, a Delaware limited liability company

By: _____
Bryan Parker
Executive Vice President, Real Estate and Public

Affairs

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____, the _____ of _____, a _____, on behalf of said corporation.

Notary Public

My commission expires:

LANDLORD: CITY OF SIGNAL HILL]

By: _____

Carlo Tomaino

City Manager

STATE OF _____)

) ss.

COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____,
20__ by _____, the _____ of
_____, a _____, on behalf of
said corporation.

Notary Public

My commission expires:
